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Stakeholder Submission RE: Initial Full Assessment Report, Marine Harvest Canada's Althorp farm, by SAI Global Assurances Services

Upon review of the draft Aquaculture Stewardship Council (ASC) audit for MHC's Althorp farm, conducted by SAI Global, we have deep concerns about the robustness of the audit.

We find the draft audit report to be insufficient in evidence to demonstrate the farm successfully met the salmon standard criteria. We submit this is due to SAI Global failing to meet the requirements of the ASC Certification and Accreditation Requirements (CAR) and the Salmon Standard Audit Manual.

Our comments and concerns are provided in detail below. We look forward to hearing how the SAI Global will address these outstanding concerns.

Sincerely,

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I. Process Requirements and Audit Timing

a) Exclusion of harvest activities from initial audit

The draft audit report fails to state whether (or not) harvest activities were witnessed at the initial audit and suggests the auditor's witnessing of harvest at another MHC farm is sufficient.

The ASC CAR V2.0 requires that *"The CAB's initial audit should include harvesting activities of the principle product to be audited."* (Audit Timing 17.4.2).

17.4.6 If the CAB determines that it is not possible to conduct the initial audit as specified in 17.4.2, the CAB shall:

17.4.6.1 Record this determination in the audit report.

17.4.6.2 Provide a justification for the alternative timing.

There is no record in the draft report that states it was not possible to witness harvest as required by the CAR (17.4.6.1). Likewise, there is no justification, as required in the CAR (17.4.6.2), provided in the draft audit report for conducting the audit earlier and not witnessing the harvest of the principle product.

More specifically, the audit report form question 9.2 asks: *Was harvesting witnessed? If not, when is harvesting scheduled to be witnessed?* No answer is provided for when harvesting will be scheduled to be witnessed.

Responding to our previous submissions regarding this issue, SAI Global has routinely stated:

"Under the CAR V2.0 Clause 17.4.6, it is permitted under ASC Salmon Standard to not view the Harvesting in the initial audit, but that justification must be given for not viewing the process. This will be included in the report for final publication, as it was in all previous reports, and will confirm when harvesting will be viewed."

Upon review of the reports for final publication, SAI Global *did not* include the justification or confirm when harvesting will be viewed (Sheep Passage; Phillips Arm; Chancellor Channel; Westside).

In addition, the audit report form question 4.5 asks: *Did the audit include harvesting activities of the principle product to be audited?*

The auditor response states,

"Yes but not on this site. Duncan Island was surveilled at the same time and it was harvesting ASC fish for the same company and going to the same Processing plant in Port Hardy. All owned by Marine Harvest Canada."

Fish processed from other MHC sites, including other ASC-certified farms, do not meet the definition of the 'principle product' in the context of Althorp's ASC audit and, therefore, should not be used as a substitute in meeting auditing requirements.

Given the CAR requires CABs to record in the audit report: 1) whether it is possible to witness the harvest of the primary product and 2) justification for alternative timing, if applicable; it is reasonable for stakeholders to expect such recording is made available in both the draft *and* final audit reports.

b) Insufficient records and evidence

A number of salmon standard indicators are listed in the audit report as "conforming" despite insufficient records or evidence due to the audit taking place before the harvest. The ASC Certification and Accreditation Requirements (CAR) Version 2.0 has the following stated Process Requirements (17):

17.1 Unit of Certification

17.1.2.1 All clients seeking certification shall have available records of performance data covering the periods of time specified in the standard(s) against which the audit(s) is to be conducted; and

17.4 Audit Timing

17.4.5 Audits shall not be conducted until sufficient records/evidence are available for all applicable standard requirements as the minimum.

With the audit taking place before harvest, the records and evidence for the applicable standard requirements are simply not available. For example, the benthic monitoring indicators set out in Criterion 2 can only be addressed by sampling conducted at the farm's peak biomass (i.e. harvest). Several indicators rely on similar end-of-cycle calculations, such as the Estimated Unexplained Loss (3.4.3); Maximum viral disease-related mortality (5.1.5); Maximum unexplained mortality rate (5.1.6); Maximum farm level cumulative parasiticide treatment index score (5.2.5); Number of treatments of antibiotics (5.2.9) and Fishmeal/Fish Oil Forage Fish Dependency Ratio (4.2.1/4.2.2). Numerous indicators focus on whether an event occurs beyond a stipulated threshold during a stated period up to and including the production cycle under audit, such as Maximum number of lethal incidents (2.5.6); Maximum on-farm lice levels (3.1.7); Maximum number of escapes (3.4.1) and OIE-notifiable disease occurrence (5.4.4).

With the exceptions of 2.1.2 and 2.1.3; **the indicators above are listed as "conforming", despite not having available any of the records and evidence required.**

The CAR requires sufficient records and evidence for the initial full assessment audit, requiring a complete production cycle in order to confirm conformance with all applicable salmon standard indicators. An incomplete production cycle equates to incomplete evidence and records.

Insufficient evidence and records remain a concern we have highlighted in other audit reviews. On review, the limited evidence and records that are provided in the audit reports are either based on data from the current production cycle at the time of the early audit or the previous production cycle. Therefore, the reports fail to provide a full production cycle of data for the most recent cohort of fish.

Listing indicators that require a full production cycle of data as 'conforming' - despite approximately four to six months' worth of production cycle yet to be completed - allows for the potential for non-conforming product to be certified and enter the market with the ASC logo. The Marsh Bay early audit is a prime example of this potential becoming a reality, where an early audit resulted in missing the unfortunate marine mammal deaths which occurred later in the full production cycle (after the audit). The early audit and certification of Marsh Bay allowed for non-conforming product to enter the market place with the ASC logo. As long as early auditing continues, the potential for non-conformance remains. At the very least, non-conformance should be raised for the indicators for which a full production cycle worth of data is needed. The non-conformance should be closed before certification is granted.

The full assessment audit failed to meet CARv2.0 17.4.5 requirements, as the data and sufficient records/evidence covering the periods of time specified and required in the salmon standard were not yet available. Consequently, we find the CAB failed to meet their obligations under the ASC's CAR.

c) Unit of Certification: Intermediary farm

The CARv2.0 Annex A – *The ASC Vocabulary* states the following definition for the term 'Unit of Certification':

"The operation that is covered by a certificate. It includes all production and processing sites including the receiving water bodies, any harvest sites such as production ponds, and all storage or processing operations (including subcontracted operations) up to the point where the product enters further chain of custody."

As a production site and a stage of the production operations that occurs before the product enters the chain of custody, intermediary stages meets the CAR 'unit of certification' definition.

Marine Harvest Canada reporting notes the Althorp farm began receiving fish from the intermediary farm, Shelter Pass, in November 2016. Therefore, it would be expected that the salmon standard criteria must be applied to this part of the production cycle. For example, see Indicators 5.2.9/8.16 below.

When applicable salmon standard criteria are not correctly applied to all production sites as per the Unit of Certification CAR definition, non-compliance is likely to be missed or omitted. Therefore, all production operations and sites in the unit of certification should be included to ensure compliance with the ASC salmon standard indicators and integrity of the chain of custody.

II. Salmon Standard Requirements

For the Salmon Standard indicators below, we submit the CAB did not conform to the following CARv2.0 requirement:

17.3 Audit methodology

17.3.1 The ASC audit shall use the ASC Audit Manual as guidance for the standard(s) for which the client is being audited.

Further details to our reasoning are provided below.

a) Indicator 3.1.4 Frequent on-farm testing for sea lice, with tests made easily publicly available...

As per the audit manual and salmon standard, footnote 41 requires monthly sea lice testing during the non-sensitive period for wild salmonids. Indicator 3.1.4 also requires the results to be made public within seven days of testing.

On review of Marine Harvest Canada's public reporting page for Althorp farm,¹ the last sea lice count was reported October 2nd, 2017.² Therefore, seven weeks have passed and MHC has failed to report on their November monthly sea lice count - warranting a non-conformity to indicator 3.1.4.

b) Indicator 3.2.2 If a non-native species is being produced, evidence of scientific research...

The auditor notes "the farm produces Atlantic salmon which is a non-native species", yet fails to provide the scientific research on the risk of establishment of the species. Specifically, evidence of compliance for 3.2.2C requires:

"C. Confirm that the scientific research included: multi-year monitoring for non-native farmed species; used credible methodologies & analyses; and underwent peer review..."

The CAB inappropriately cites an industry commissioned sea lice monitoring report as evidence of compliance for this indicator requirement:

The report "Wild Juvenile Salmonid Monitoring Program - Discovery Islands - 2017, prepared by Mainstream Biological Consulting Inc and signed by Lance Stewardson, member of the College of Applied Biology, showed no evidence of risk of establishment of the species. 5244 fish were collected during the monitoring program from 29 sites around Discovery Island. No Atlantic salmon (Salmo salar) were captured during sampling completed.

¹ http://marineharvest.ca/planet/salmon_certification/sites-under-assessment-for-asc/althorpe-point/

² <http://marineharvest.ca/globalassets/canada/pdf/asc-dashboard-2017/althorp-oct-2.pdf>

The ASC requires a credible methodology for non-native escape monitoring. The methodology used for this report is based on sea lice monitoring on wild fish and is not sufficient for non-native species monitoring.

Scientific studies show escapes remain a concern³ and monitoring conducted by DFO⁴ was limited in scope and methodology. Monitoring by DFO for non-native establishment has been largely non-existent and, until recently, their Atlantic Salmon Watch program defunct. A recent study found DFO wild salmon monitoring to woefully inadequate, with around half of B.C. wild salmon streams not monitored⁵ – greatly impeding any potential non-native salmon sightings to coincide with wild salmon monitoring.

No such scientific study, as required by the ASC, currently exists for the B.C. region. An independent scientific research study that is multi-year, with credible and appropriate methodology and analyses and underwent peer review should be required for B.C. salmon farmers to demonstrate compliance with Indicator 3.2.2.

c) Indicators 5.2.5; 5.2.6 (Parasiticide Treatment Index) and 5.3.1 (Bioassay)

Since the on-site audit (18-22 September 2017), a second SLICE treatment was administered on the 30th October 2017 at the Althorp site.⁶ Consequently, indicator 5.2.5 (Parasiticide Treatment Index score) should be updated to reflect a score of 9.6.

The draft report lists indicator 5.2.6 as N/A (due to the early audit and premature PTI score). With a current PTI score of 9.6, the farm needs to complete Indicator 5.2.6, which requires: *For farms with a cumulative PTI ≥ 6 in the most recent production cycle, demonstration that parasiticide load is at least 15% less than that of the average of the two previous production cycles.*

³ Volpe, J., B. Glickman et al. (2001). "Reproduction of aquaculture Atlantic salmon in a controlled stream channel on Vancouver Island, British Columbia." Transactions of the American Fisheries Society 130: 489-494.
Volpe, J., E. Taylor, et al. (2000). "Evidence of natural reproduction of aquaculture-escaped Atlantic salmon in a coastal British Columbia river." Conservation Biology 14: 899-903.
Fisher, A.C., Volpe, J.P. & Fisher, J.T. 2014. Occupancy dynamics of escaped farmed Atlantic salmon in Canadian Pacific coastal salmon streams: implications for sustained invasions Biol Invasions (2014) 16: 2137. doi:10.1007/s10530-014-0653-x

⁴ Andres, B. 2015. Summary of reported Atlantic salmon (Salmon salar) catches and sightings in British Columbia and results of field work conducted in 2011 and 2012. Can. Tech. Rep. Fish. Aquat. Sci. 3061: 19 p.

⁵ Price, MHH, English, KK, Rosenberger, AG, MacDuffee, M & Reynolds, JD (2017). Canada's Wild Salmon Policy: an assessment of conservation progress in British Columbia, Canadian Journal of Fisheries and Aquatic Sciences, <https://doi.org/10.1139/cjfas-2017-0127>

⁶ http://marineharvest.ca/globalassets/canada/pdf/additional-information-sharing/mhc_allsites_oct_2017_web.pdf

In addition, the auditor should revisit Indicator 5.3.1 to assess if the expected efficacy was met and whether a bioassay was necessary/conducted. Indicator 5.3.1 requires: *Bio-assay analysis to determine resistance when two applications of a treatment have not produced the expected effect.*

We submit the PTI should be updated and the additional relevant indicators completed by the auditor. This is aligned with the CAR which requires CABs to include audit evidence gathered *after an on-site audit and submitted by stakeholders.*

17.11 Certification Decisions

17.11.2 The CAB shall consider all audit evidence when taking certification decisions.

17.11.2.1 This shall include audit evidence gathered prior to, during and after an on-site audit.

17.11.2.2 This shall include audit evidence gathered as the result of information submitted by stakeholders and interested parties.

d) Indicators 5.2.9 and 8.16 Number of treatments of antibiotics over the most recent production cycle

The Salmon Standard requires:

“≤ 3 treatments of antibiotics over the most recent production cycle”

The Standard clearly calls on the count being from the production cycle – not the farm site and/or hatchery in isolation.

The draft audit report lists the following antibiotic treatment date for the hatchery stage of the most recent production cycle:

Treatment 1 – Florfenicol, Ocean Falls Hatchery

No antibiotic treatments are listed for Althorp farm. However, the auditor fails to mention the intermediary farm, Shelter Pass. DFO sea lice records for Shelter Pass indicate an antibiotic treatment was administered in March 2016:

*“2nd count precluded by transfer and **fish health management action**”⁷*

Therefore, it appears the *production cycle* has experienced 2 antibiotic treatments. The ASC audit should be updated to reflect the true count as per the ASC salmon standard.

⁷ <http://www.pac.dfo-mpo.gc.ca/od-ds/aquaculture/lice-count-dens-pou-2016-rpt-pac-dfo-mpo-aquaculture-eng.csv>